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State of Utah  
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DIVISION OF OIL, GAS AND MINING

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July 16, 2001

Rick Olsen, General Manager  
Canyon Fuel Company, LLC.  
P.O. Box 1029  
Wellington, Utah 84542

Re: Approval of Sediment Storage, Canyon Fuel Company, LLC, Dugout Mine, C/007039  
AM01E, Outstanding File

Dear Mr. Olsen:

The above-referenced amendment is hereby-approved effective July 16, 2001. Enclosed are a stamped incorporated copy for your copy of the Mining and Reclamation Plan and a copy of our Technical Analysis for your information.

If you have any questions, please feel free to call me at (801) 538-5325 or Steve Demczak at (435) 613-5242.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock".

Daron R. Haddock  
Permit Supervisor

sd/sm

Enclosures:

cc

Joe Wilcox, OSM

Richard Manus, BLM

Mark Page, Water Rights w/o

Dave Ariotti, DEQ w/o

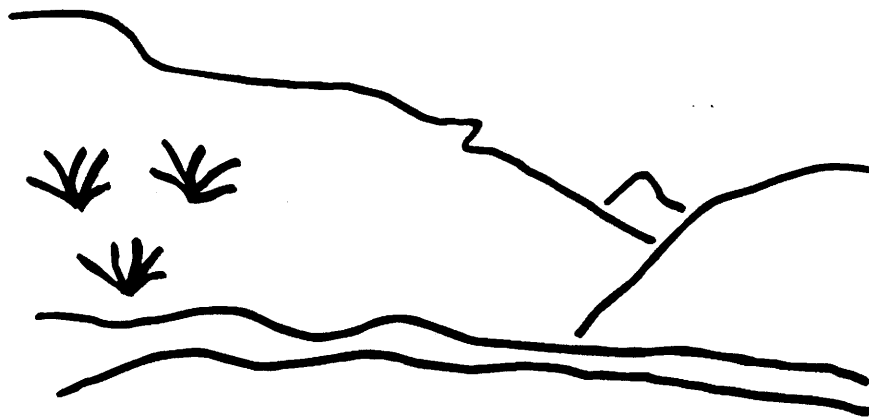
Derris Jones, DWR w/o

David Terry, SITLA w/o

Price Field Office

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# State of Utah



## Utah Oil Gas and Mining

### Coal Regulatory Program

Dugout Mine  
Canyon Fuel Company, LLC  
C/007039-AM01E  
Technical Analysis  
July 2, 2001

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INTRODUCTION

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## TECHNICAL ANALYSIS

### INTRODUCTION

Canyon Fuel Company has submitted an application to modify the Dugout Canyon Permit. The permittee is requesting the transfer and storage of the sediment pond clean out material at the Banning Loadout. Banning Loadout is a DOGM permitted site owned by Canyon Fuel Company. Canyon Fuel Company has submitted an amendment to the Banning Loadout permit to accept sediment pond material from the Dugout Mine.

In addition to transferring the material to Banning Loadout, the permittee would like to use the water from the sediment pond, which does not meet the UPDES permit standards for dust suppression on the mine roadways.

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July 2, 2001

## INTRODUCTION

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**OPERATION PLAN**

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## **OPERATION PLAN**

### **HYDROLOGIC INFORMATION**

Regulatory Reference: 30 CFR Sec. 784.14, 784.29, 817.41, 817.42, 817.43, 817.45, 817.49, 817.56, 817.57;  
R645-301-512, -301-513, -301-514, -301-515, -301-532, -301-533, -301-542, -301-723, -301-724,  
-301-725, -301-726, -301-728, -301-729, -301-731, -301-733, -301-742, -301-743, -301-750, -301-751,  
-301-760, -301-761.

#### **Analysis:**

##### **Sedimentation ponds**

The permittee has permission within their existing Mining and Reclamation Plan to clean material out of the sediment pond. This amendment reaffirms this requirement by requesting the transfer of material to the Banning Loadout. The permittee will be discharging water into Dugout Creek, meeting the requirements of the UPDES Permit. The discharging of water into Dugout Creek has been approved within the Dugout's Mining and Reclamation Plan. The water that does not meet the UPDES standards will be used for dust suppression on the roads and pad area within the disturbed area. No offsite impact will be created by this action.

#### **Findings:**

The permittee has met the necessary requirements for this section in the Mining and Reclamation Plan.

sd  
cc: Price Field Office  
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